

30-039-25334

09-10-93

F

NSL-3272

F. Loc. 300/N; 1331/W

Elev. 6964 GL Spd.

Comp.

TD

PB

Cu. ft.

Cu. ft.

Casing S.
Csg. Perf.

@

W

Sx

Int.

@

W

Sx

Pr.

@

W

Sx

I

@

T Gas
R
A
N
S

Grav. 1st Del. Gas

I.P. BO/D MCF/D After Hrs. SICP PSI After Days GOR 1st Del. Oil

TOPS		NiTD	X	Well Log	TEST DATA							Ref. No.
Ojo Alamo		C-103		Plot	X	Schd.	PC	Q	PW	PD	D	
Kirtland		C-104		Electric Log								
Fruitland				C-122								
Pictured Cliffs		Ditr		Dfo								
Chacra		Datr		Dac								
Cliff House												
Menefee												
Point Lookout												
Mancos												
Gallup												
Greenhorn												
Dakota												
Entrada												

NSL-3272
Acres N/320

P

o

o

I

BasinFrCoal Co. RA S 35 T 31N R 04W U C Oper. Evergreen Oper Corp Lse. Chicosa 35 No. 1

Chicosa 35 #1

C-35-31N-04W

EVERGREEN OPER CORP

NMNM-89783 et al. (WC)
3162.3-1.0 (07337)

JAN 0 6 1995

RECEIVED
FEB - 8 1995
OIL CON. DIV.
DIST. 3

Evergreen Operating Corporation
c/o Mr. A. R. Kendrick
P. O. Box 516
Aztec, New Mexico 87410-0516

Dear Mr. Kendrick:

Enclosed are your Applications for Permits to Drill (APD's) the wells listed on the enclosed list. Due to no reports of drilling operations commencing prior to expiration, the subject APD's have expired and are hereby returned. Any expired APD may be resubmitted at any time when definite drilling plans are formulated.

You are required to request surface rehabilitation instructions from this office, if construction activities have occurred on any of the proposed drill sites. If this office does not receive comment within 30 days, it will be presumed that no construction occurred. Later discovery that construction activities have occurred, may result in assessment of liquidated damages.

If you have any questions, please contact Mr. Errol Becher of this office at (505) 599-6358.

Sincerely,

Ken Townsend
Chief, Branch of Drilling and Production

Enclosures
1. APD List
2. APD's

ABANDONED LOCATION

cc:
New Mexico Oil Conservation Division, Aztec, NM ✓

Expired APD's

Evergreen Operating Corporation

<u>Number/Name/Expiration Date</u>	<u>Location/Lease No.</u>
1 Chicosa 35 ✓ Expired: September 08, 1994	300' FNL & 1331' FWL (NE¼ NW¼), Section 35, T. 31 N., R. 04 W., Rio Arriba County, New Mexico Federal Lease Number NM-89783
2 Chicosa 36 ✓ Expired: October 10, 1994	866' FSL & 1340' FEL (SW¼ SE¼), Section 36, T. 31 N., R. 04 W., Rio Arriba County, New Mexico Federal Lease Number NM-89783

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

90-039-25334

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL		5. Lease Number NM-89783	
1b Type of Well GAS		6. If Indian, Name of Tribe or Allottee	
2. Operator <i>7664</i> Evergreen Operating Corporation		7. Unit Agreement Name 070 FARMINGTON, NM	
3. Address & Phone No. of Operator SA. R. KENDRICK BOX 516, AZTEC, NM 87410 (505) 334-2555		8. Farm or Lease Name <i>13299</i> CHICOSA 35	
4. Location of Well 300' FNL 1331' FWL		9. Well Number 1	
14. Distance in Miles from Nearest Town 14 Miles northeast of Gobernador, NM		10. Field, Pool, or Wildcat BASIN-FRUITLAND COAL <i>71629</i>	
15. Distance from Proposed Location To Nearest Property Line or Lease Line. 300'		11. Section, Township, & Range, Meridian, or Block C - 35 - 31N - 4W	
16. Acres in Lease 320 ACRES		12. County RIO ARRIBA	
17. Acres Assigned to Well N-320		13. State NEW MEXICO	
18. Distance From Proposed Location To Nearest Well Dr., Compl., Or Applied For On Lease. 50'		19. Proposed Depth 3980'	
20. Rotary or Cable Tools ROTARY DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"		21. Elevations (DF, RT, GR, Etc.) 6964' GR est	
22. Approximate Date Work Will Start. Fall, 1993		23. Proposed Casing and Cementing Program:	

Exhibits attached as follows:

- "A" Location and Elevation Plat
- "B" Vicinity Map - Access Roads
- "C" Ten-Point Compliance Program
- "D" Multi-Point Requirements for APD
- "E" Blowout Preventer Schematic

- "F" Location Profile
- "G" Drill Rig Layout
- "H" Completion Rig Layout
- "I" Production Facility Schematic

OIL CON. DIV.
DIST. 3

24. Signed *AR Kendrick* Title _____ Agent _____ Date *6/2/93*

Permit No. _____ Approval Date _____ APPROVED
AS AMENDED
Approved By _____ Title _____ Date *SEP 08 1993*

NSL-3272 (E) NOTE: THIS FORMAT IS ISSUED IN LIEU OF U.S. BLM FORM 3160-3.

DISTRICT MANAGER

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

RECEIVED Form C-102
BLM Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

93 JUN -7 AM 7:51

070 FARMINGTON, NM

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

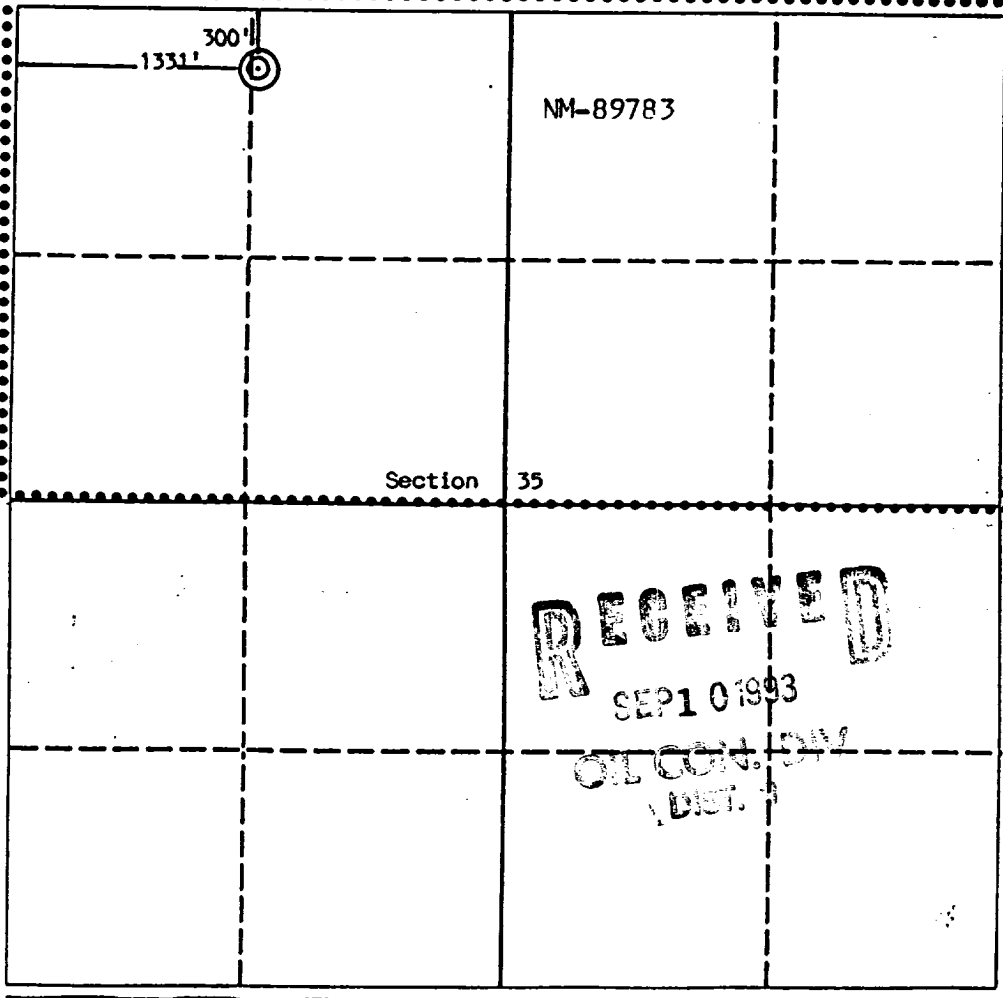
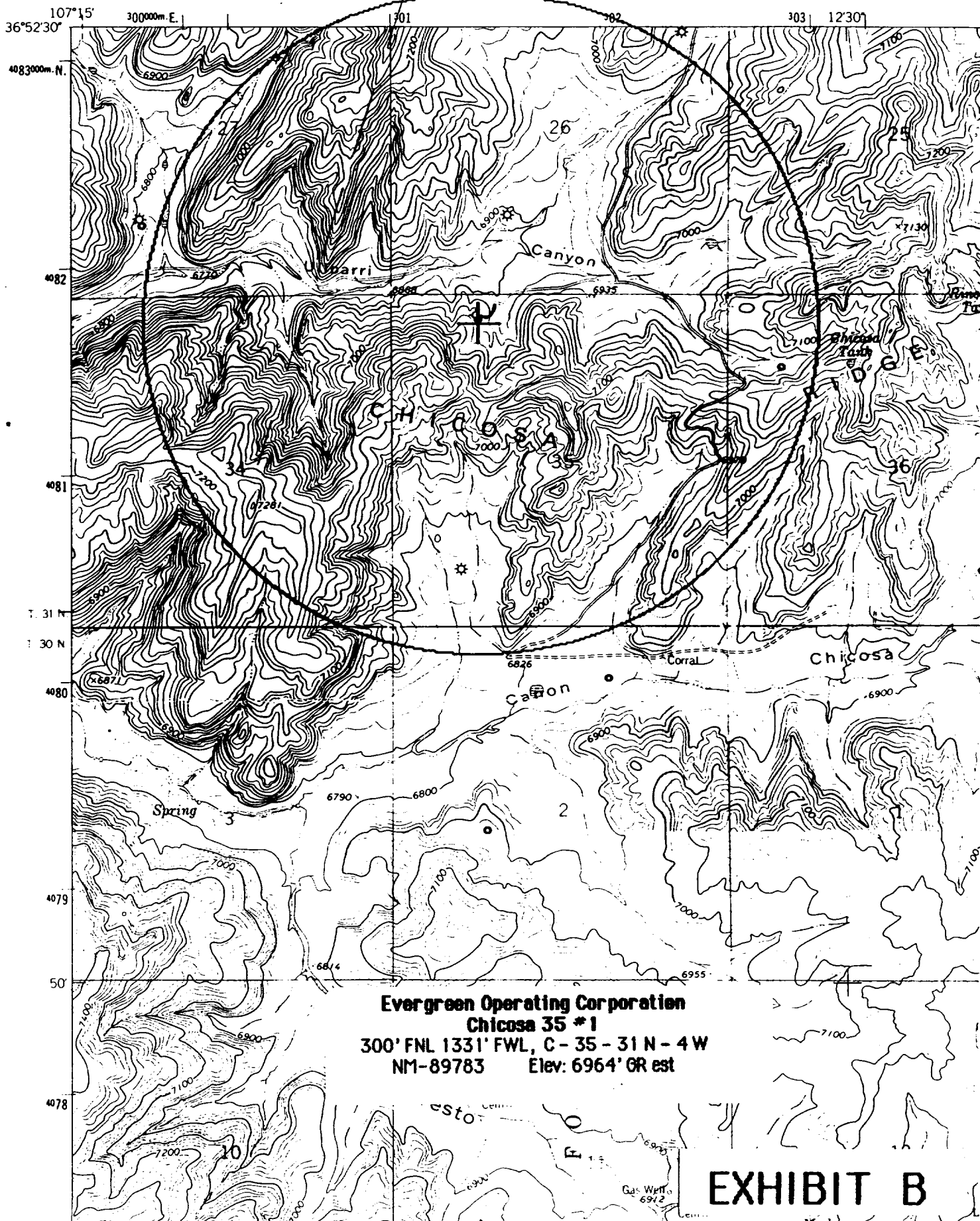
Operator Evergreen Operating Corporation			Lease Chicosa 35		Well No. 1
Unit Letter C	Section 35	Township 31 North	Range 4 West	County Rio Arriba	
Actual Footage Location of Well: 300 feet from the North line and 1331 feet from the West line					
Ground level Elev. 6964 Est.	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal		Dedicated Acreage: N-320 Acres
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.? <input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____</p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____</p> <p>No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.</p>					
				<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature: <i>A. R. Kendrick</i></p> <p>Printed Name: A. R. Kendrick</p> <p>Position: Agent</p> <p>Company: Evergreen Operating Corp.</p> <p>Date: June 2, 1993</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.</p> <p>Date Surveyed: May 4, 1993</p> <p>Signature & Seal of Professional Surveyor: <i>Edgar Hoover</i></p> <p>Certificate No. 5979</p>	

EXHIBIT A

4887' N NE
(BANCOS MESA)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY



TEN-POINT COMPLIANCE PROGRAM

Evergreen Operating Corp.

Chicosa 35 #1

300' FNL 1331' FWL Sec. 35 - T 31 N - R 4 W

Elev: 6964' GR est.

Lease No. NM-089783

1. THE GEOLOGICAL SURFACE FORMATION IS: Nacimiento.
2. THE ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

Ojo Alamo	3044'
Kirtland	3229'
Fruitland	3496'
Fruitland Coal	3592'
Pictured Cliffs	3729'
Total Depth	3980'

3. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS:

<u>SUBSTANCE</u>	<u>FORMATION</u>	<u>ANTICIPATED DEPTH</u>
GAS	Fruitland Coal	3980'

4. THE PROPOSED CASING PROGRAM WILL BE AS FOLLOWS:

<u>DEPTH</u>	<u>HOLE SIZE</u>	<u>O.D.</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>TYPE</u>	<u>NEW/USED</u>
0-350'	12-1/4"	9-5/8"	36	K-55	ST&C	NEW
0-TD	7-7/8"	5-1/2"	15.5	K-55	ST&C	NEW

PROPOSED CEMENT PROGRAM: To effectively isolate and seal off all water, oil, gas and coalbearing strata encountered by the utilization of spacers, centralizers and swirling centralizers at the base of the Ojo Alamo formation as specified by NTL-FRA 90-1 III.B and API standards; and by using cement volumes as follows:

Surface: 265 CuFt (225 Sx) Class B w/1/4" Flocele/Sx plus 2% CaCl.

Production: 1st stage: 30 CuFt (25 Sx) 50/50 pozolon, 2% gel and 1/2" Sx Flocele plus 118 CuFt (100 Sx) Class B w/4% Halad-344 and 1/2" Sx Flocele. 1st stage Totals: 148 CuFt (125 Sx). 2nd stage: 1160 CuFt (628 Sx) Halliburton Lite w/2% CaCl plus 118 CuFt (100 Sx) Class B w/2% CaCl. 2nd stage totals: 1501 CuFt (905 Sx). Grand Totals: 1649 CuFt (1030 Sx). (Exact volumes to be determined from logs.)

5. OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

Exhibit E is a schematic of the blowout preventer used by a local contractor for other wells in the area. The BOPs are to be test-operated before drilling out from under the surface casing, and operation checks will be made daily thereafter and recorded in the Daily Drilling Report. Accessories to BOP will include floor safety valve and choke manifold with pressure rating equivalent to the BOP stack.

Exhibit C



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

June 28, 1993

RECEIVED
JUL 6 1993
OIL CON. DIV.
DIST. 3

Evergreen Operating Corporation
c/o A.R. Kendrick
P.O. Box 516
Aztec, NM 87410

Administrative Order NSL-3272

Dear Mr. Kendrick:

Reference is made to your applications dated June 2 and 3, 1993 for three non-standard Basin-Fruitland Coal gas well locations all to be drilled on U.S. Forest Service land in Sections 35 and 36, Township 31 North, Range 4 West, NMPM, Basin Fruitland Coal Gas Pool, Rio Arriba County, New Mexico.

Well Name and Number	Footage Location	Unit	Section	Dedicated 320-acre Tract
Chicosa "35" No. 1	300' FNL - 1331' FWL	C	35	N/2
Chicosa "36" No. 1	1174' FNL - 790' FWL	D	36	Lots 1 and 2, W/2 NE/4 and NW/4 (N/2 equivalent, 319.12 acres)
Chicosa "36" No. 2	866' FSL - 1340' FEL	O	36	S/2 equivalent (320.12 acres)

By the authority granted me under the provisions of Rule 8 of the Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool as promulgated by Division Order No. R-8768, as amended, the above-described unorthodox coal gas well locations are hereby approved.